



SEATTLE'S NEW MINIMUM WAGE ORDINANCE

(SMC 14.19) Effective date: April 1, 2015

INFORMATION FOR LARGE EMPLOYERS

(501 or more employees – also known as Schedule 1 Employers)

For Large Employers, the City of Seattle's **\$15.00/hour** wage will be phased in over the next 3-4 years. The Office of Labor Standards will implement the new ordinance, including outreach and enforcement.

MINIMUM WAGE

Large employers can meet the minimum wage requirement in two ways:

- (1) pay a flat, hourly minimum wage, or
- (2) pay a reduced hourly minimum wage if the employer makes payments toward an employee's silver level medical benefits plan.

FLAT RATE

Large employers who do not make payment toward an employee's medical benefits plan will pay a flat hourly minimum wage:

	Minimum Wage
2015 (April 1 st)	\$11.00/hour
2016 (January 1 st)	\$13.00/hour
2017 (January 1 st)	\$15.00/hour

MEDICAL BENEFITS

Large employers who do make payments toward an employee's medical benefits plan will pay a reduced minimum wage.

	Minimum Wage
2015 (April 1 st)	\$11.00/hour
2016 (January 1 st)	\$12.50/hour
2017 (January 1 st)	\$13.50/hour
2018 (January 1 st)	\$15.00/hour

KEY TERMS

EMPLOYEES

Seattle's Minimum Wage Ordinance applies to employees working in Seattle, regardless of the employee's immigration status.

EMPLOYER SIZE

To calculate employer size, count the employer's total number of employees within the United States, regardless of where those employees work. Employers do not need to count employees who work outside the U.S.

WAGE

A wage includes salary, hourly pay, commissions, piece-rate, and non-discretionary bonuses. Wages **do not** include tips or payments towards medical benefits, though payment toward medical benefits may impact minimum wage requirements.

MEDICAL BENEFITS

For medical benefits to qualify toward the minimum wage, the plan must be the equivalent of a "silver" level or higher as defined in the federal Affordable Care Act.

Once Seattle's minimum wage reaches **\$15.00/hour**, payments toward medical benefits will no longer impact employee's minimum wage. In subsequent years, the City of Seattle will calculate percentage changes to the minimum wage based on the Consumer Price Index (CPI). The current estimate is 2.4% annually.

LARGER EMPLOYERS (501 OR MORE EMPLOYEES)

EXAMPLE

Seattle Bargains is a large employer with part-time and full-time employees.

For part-time employees, Seattle Bargains does not pay towards a silver level medical benefits plan. On April 1, 2015, Seattle Bargains will pay a minimum wage of **\$11.00/hour** to part-time employees. On January 1, 2016, Seattle Bargains will pay a minimum wage of **\$13.00/hour** to part-time employees. On January 1, 2017, Seattle Bargains will pay a minimum wage of **\$15.00/hour** to part-time employees.

For full-time employees, Seattle Bargains pays **\$1.50** per hour toward a silver level medical benefits plan. On April 1, 2015, Seattle Bargains will pay a minimum wage of **\$11.00/hour** to full-time employees. On January 1, 2016, Seattle Bargains will pay a minimum wage of **\$12.50/hour** to full-time employees. On January 1, 2017, Seattle Bargains will pay a minimum wage of **\$13.50/hour** to full-time employees.

REQUIREMENTS

NOTICE TO EMPLOYEES

Employers must provide employees with notice of their rights under the Ordinance. The notice must be in English, Spanish, and any other language that is commonly spoken by employees in the workplace. The Office of Labor Standards will make notices available in different languages before April 1, 2015.

RECORD KEEPING

Employers must keep payroll records for three years.

RETALIATION PROHIBITED

An employer cannot retaliate against an employee for:

- Requesting to be paid minimum wage.
- Filing a complaint with SOCR concerning a potential minimum wage violation.
- Telling a person about a potential minimum wage violation or telling a person about their rights.

TOOLS AND RESOURCES

Contact the Office of Labor Standards (OLS) for answers to your questions about the ordinance. OLS is preparing tools to help you understand the ordinance including, a multi-lingual web site, mobile app wage calculator, slideshows, rules and a revised frequently asked questions.

On April 1, 2015, OLS will begin enforcing the ordinance. During the first year, enforcement will center obtaining full remedies for workers (i.e. reimbursement of lost wages plus interest), helping business comply with ordinance requirements, and withholding penalties unless there are repeated or egregious violations.

Please check back with www.seattle.gov/civilrights as we prepare for April 1, 2015.

QUESTIONS?

Email: ocr_minwagequestions@seattle.gov

Call: (206) 684-4500

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